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INFORMATION REPORT

COUNTRY USSR

SUBJECT River Transport Financial Data

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**SUPPLEMENT TO
REPORT**

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THIS IS UNEVALUATED INFORMATION

1. The financial activity indices for the River Transport System are tentatively as follows: (in Billion Rubles):

(A) EXPENDITURES

- (1) Basic operational expenditures directly connected with the maintenance of the fleet:

- | | | | |
|--|---------------------|---|---|
| (a) Basic and supplementary wage bill for shipboard personnel, mess room funds, all added to wage bill | 1.46 billion rubles | | |
| (b) Fuel, lubricating and cleaning material | 1.50 | " | " |
| (c) Repair (current and average) | 1.60 | " | " |
| (d) Ship supply | 0.20 | " | " |
| (e) Amortization | 0.44 | " | " |
| (f) Ship fees and other navigational expenses | 0.50 | " | " |
| (g) General, administrative/management expenditures, training of cadres | 0.30 | " | " |

6.0 billion rubles

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- (2) Additional operational expenses (militarized protection, shipping lanes, harbors, register, etc) 15.0 billion rubles
- (3) Capital expenditures (capital outlay, reestablishment and replenishment of basic funds). These are allocated without being included in the cost of shipping (grants) 3.8 billion rubles

Of this figure: Charged to State Budget 2.5 billion rubles
 Charged to capital accumulations of enterprises. 1.3 billion rubles

- (4) Other expenditures, mainly budget expenditures, not included in the cost of shipping (maintenance of schools, scientific institutions etc) 0.4 billion rubles

Total of expenditures covered by revenue 21.0 billion rubles

Total of expenditures not covered by revenues 4.2 billion rubles

(R) REVENUES

- (1) Tariffs for transport of cargo (unit equal to shipping cost 1 ton of cargo for a distance of 1 kilometer) 13.4 billion rubles
- (2) Other revenues 0.6 billion rubles

Total 14.0 billion rubles

(C) PROFIT

- (1) Scheduled (plan) profit 3.0 billion rubles
- (2) Over-and-above-plan profit -

(D) OVER-AND-ABOVE-PLAN LOSSES AND WASTE 0.7 billion rubles(E) PROFIT MINUS LOSSES 2.3 billion rubles(F) SUBJECT TO WITHDRAWAL INTO STATE BUDGET 2.0 billion rubles(G) RESIDUE OF PROFIT

(1) According to plan 2.0 billion rubles

(2) In reality 0.3 billion rubles

(H) FINANCIAL STATUS (Result) +2.3 billion rubles

- 2) The above figures on the financial results of operations of the River Transport System are tentative figures, but very close to being accurate. In computing these figures I used the general indices referred to by me at the end of the report on the Merchant Fleet system [] and in addition to those indices I used the following as well:

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- (A) The quota of profits withdrawn for the benefit of the State Budget from the River Transport organizations is usually higher than the quota withdrawn from Merchant Transport organizations, which may be explained by the more rapid pace in the increase of the volume of operations and of capital investment in the Merchant Fleet System.
- (B) In the course of 1950 to 1951 the river transport organizations produced approximately 3.5-4% of the total profits.
- (C) The State Budget's allocation quota for river transport organizations for the years of 1950 and 1951 consisted of:

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- (1) For capital construction 2% - 2.5%
- (2) For replenishment of working capital 1.5% - 2%
3. With regard to the river transport as well as with regard to merchant transport the following should be taken into account: Industry provides over 50% of the total profit for the national economy; railroad transport takes second place; then follow: Merchant Fleet, River Transport, other types of transport (automobile, air-transport,) and communications. Behind these are rated the remaining branches of the economy, not considering those branches where profit turns up in the form of turn-over tax.
4. In conclusion it should be noted that in spite of the fact that the volume of business and that of operations carried out by river transport considerably exceeds the volume of business and operations carried out by the Merchant fleet, the quality of work done by the river transport system is inferior and the quota of its revenues within the system of national economy (by comparison of volume of work and business) is lower than it is in the merchant fleet system.
5. Finally it should also be noted that the volume of shipping as carried out by USSR river transport on the year 1951 consisted of:
 - (a) 102 million tons,
 - (b) 55 billion ton-kilometers.
6. The volume of shipping, carried out by the USSR merchant fleet in 1951 consisted of:
 - (a) 61 million tons,
 - (b) 21.8 billion ton-miles.

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